

<p align="center">DEPARTMENT FOR MENTAL HEALTH AND MENTAL RETARDATION SERVICES</p> <p align="center">STANDARDS OF OPERATIONS</p>	Policy Number DMHMRS 03-01	Total Pages 2
	Date Issued April 14, 2003	Effective Date April 14, 2003
References KRS 194A.010, 194A.025, 194A.060, 194A.070 § 164.502, 164.504	Subject Cooperation with Outside Agencies and Business Associates	

Statement of Policy and Purpose

It shall be the policy of the Department for Mental Health and Mental Retardation Services (DMHMRS) to encourage coordinated planning, information sharing and cooperation with related business associates and agencies. It is essential that relationships with business associates and other interacting agencies be established and fostered to provide assistance in planning, maintaining and implementing services and programs.

Procedure

- A. DMHMRS may disclose protected health information (PHI) to a business associate and may allow a business associate to create or receive PHI on its behalf, when DMHMRS obtains satisfactory assurance through a written contract, written agreement or arrangement that the business associate will appropriately safeguard the information.
- B. A written contract, written agreement or arrangement between DMHMRS and a business associate shall:
 1. Establish the permitted and required uses and disclosures of PHI. The contract, agreement or arrangement may not authorize the business associate to use or further disclose the information except that:
 - a. The contract or agreement may permit the business associate to use and disclose PHI for proper management and administration of the business associate.
 - b. The contract or agreement may permit the business associate to provide data aggregation services relating to the health care operations of DMHMRS.
 2. Provide that the business associate shall:

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- a. Not use or further disclose the information other than as permitted or required by the agreement or as required by law.
 - b. Use appropriate safeguards to prevent use or disclosure of the information other than as provided by the agreement
 - c. Report to DMHMRS any use or disclosure of information not provided for by the agreement.
 - d. Ensure that any agents, including a subcontractor, to whom it provides PHI received from, or created or received by the business associate on behalf of, DMHMRS agrees to the same restrictions and conditions that apply to the business associate.
 - e. Make available PHI for amendment and provisions for accounting of disclosures.
 - f. Make available to DMHMRS its internal practices, books and records relating to the use and disclosure of PHI.
 - g. At termination of the contract, if feasible, return or destroy all PHI maintained by the business associate on behalf of DMHMRS and retain no copies. If return or destruction is not feasible, extend the protections of the contract to the information and limit further uses and disclosures.
- C. DMHMRS may authorize termination of the contract or agreement if it is determined that the business associate has violated a material term of the agreement. DMHMRS is not in compliance if there is knowledge of a pattern of activity or practice of the business associate that constitutes a material breach or violation of the contract or agreement, unless DMHMRS has taken reasonable steps to cure the breach or violation. When termination of the contract is not feasible, DMHMRS shall report the problem to the CHS Office of General Counsel, Secretary and the Office of Civil Rights.
- D. When DMHMRS and its business associate are both governmental agencies:
1. DMHMRS may comply, with the above guidelines, by entering into a memorandum of understanding with the business associate.
 2. DMHMRS may comply, with the above guidelines, when other laws or regulations adopted contain the requirements of a business associate contract, agreement or arrangement.
- E. This policy shall be reviewed and revised as necessary.